
Commerce & Labor Committee

HB 2099

Brief Description: Allowing out-of-state online wine retailers to ship to consumers in the state.

Sponsors: Representatives Conway, Condotta, Chase and Simpson.

Brief Summary of Bill

- Creates a wine retailer shipper's permit which allows out-of-state online retailers to ship up to two cases of wine or cider per month to a Washington resident 21 years of age or older.

Hearing Date: 2/13/09

Staff: Joan Elgee (786-7106)

Background:

In 2006 legislation was passed allowing domestic and out-of-state wineries to sell and ship wine directly to Washington residents. A winery must obtain either a domestic winery license or a wine shipper's permit (for out-of-state wineries) from the Liquor Control Board (Board). Wine shipper permit holders must hold valid federal and state licenses and permits to operate a winery, and must register with the Department of Revenue and pay taxes.

Both domestic wineries and wine shippers must ensure that private carriers used to deliver wine obtain the signature of a person receiving the wine and verify that the recipient is at least 21 years of age and not intoxicated. Domestic wineries and wine shippers must also clearly label all wine cases or outside shipping packages to indicate that the package cannot be delivered to a person who is under 21 years of age or intoxicated.

A retailer with a physical presence in Washington may sell wine online and ship to a Washington resident. Out-of-state retailers are not authorized to ship wine directly to Washington residents.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In 2008 the Legislature established a Joint Select Committee on Beer and Wine Regulation (Select Committee) to review the laws relating to the manufacturer, distribution, and sale of beer and wine. The Select Committee met during the 2008 interim and produced a final report with recommendations. One of the recommendations was that out-of-state online retailers be required to obtain a wine shipper's permit.

Summary of Bill:

A retailer wine shipper's permit is created. The permit authorizes the holder to ship not more than two cases of wine or cider containing not more than nine liters per case per month to a Washington resident 21 years of age or older.

An applicant for a retailer wine shipper's permit must certify that the applicant holds all state and federal licenses and permits necessary to operate as a wine retailer, including off-premises sales licenses issued by the Board, and must register with the Department of Revenue and pay taxes. The applicant must also pay a fee established by the Board.

A retail wine shipper must meet the same requirements that apply to wine shippers regarding delivery and labeling of wine.

Holders of a retail wine shipper's permit are deemed to have consented to the jurisdiction of Washington concerning laws and rules related to the shipment of wine from out-of-state online retailers to consumers.

Rules Authority: The bill contains provisions addressing the rule-making authority of the Liquor Control Board.

Appropriation: None.

Fiscal Note: Requested on 2/9/09.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.